



WISCONSIN

DEPARTMENT OF WORKFORCE DEVELOPMENT

Division of Economic Support
Bureau of Welfare Initiatives

**TO: Economic Support Supervisors
Economic Support Lead Workers
Training Staff
FSET Administrative and Provider Agencies
Child Care Coordinators
W-2 Agencies**

BWI OPERATIONS MEMO	
No.:	99-31
File:	2420 7032
Date:	04/07/99
Non W-2	[] W-2 [X] CC [X]
PRIORITY: High	

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SUBJECT: CHILD CARE AND W-2 FEDERAL POVERTY LEVEL (FPL) CHANGES

CROSS REFERENCE: Child Day Care Manual
W-2 Manual

EFFECTIVE DATE: May 1, 1999. See further instructions below.

PURPOSE

The purpose of this memo is to alert you to changes in the 1999 Federal Poverty Level (FPL) for Wisconsin Works (W-2) cash assistance and Child Care (CC). This memo also provides information on the impact on the CC subsidy applicants and recipients. For CC purposes, there is a mass change for CC eligibility and for existing authorizations created in the Child Care Payment System (CCPS). This memo also includes the revised W-2 FPL table and the new 1999 Child Care Co-Pay Schedule.

BACKGROUND

Each year the federal government adjusts the FPLs. As a result of the changes, the income limits for W-2 cash assistance and CC eligibility and the income ranges that are used to determine the family copayment for CC change.

W-2 Eligibility

The effective date for the income limits for W-2 cash assistance (115% FPL) is May 1, 1999.

Child Care Eligibility

For all new CC subsidy applicants, the effective date of the new income limits established in this memo is May 1, 1999. For applications taken on or after May 1, 1999, use these new income limits in table TCCS.

Some ongoing CC cases that are closing April 30, 1999, in CARES may be affected by the annual mass change for eligibility on April 10, 1999. These cases could be closing for excess income using the 1998

FPL. Since it is possible that running eligibility for these cases with the new 1999 FPL limits would make them remain eligible, they will be displayed in a report and distributed to all agencies. Agencies should review their cases appearing on this report and rerun eligibility if the new 1999 income limits would keep the case open.

Child Care Authorizations

Child care authorizations will also go through a mass change that will split all authorizations and recalculate the family copay using the new income ranges as displayed in table TCFP.

All current and future authorizations created in the CCPS as of May 1, 1999, will be included in the CC authorization mass change. All authorizations with an end date past May 1 will be split with the new authorization beginning May 2 or May 16. If the family income has not changed since the current authorizations were created, the new, increased FPL income ranges may decrease the family copay or not change the family copay at all. However, even if the copay does not change and the provider payment does not change, the authorization will split and notices will be generated. If the mass change reduces the family copay, therefore increasing the provider payment, the begin date of the new authorizations will be May 2.

Some authorizations will begin May 16 because the provider payment will decrease as a result of the mass change. This can happen because the new authorizations will use the most current family income for **May**, the number of children in care and the type of care chosen by the family to determine the family copay. Income changes in CARES that have not been reflected in current authorizations will be reflected in the new authorizations created by the mass change. It is possible that the copay will increase due to income changes in spite of the FPL change. When this happens the begin date of the new authorization will be May 16, 1999. Notices will be generated to reflect the decreased payment to the provider also.

Also, all authorizations created after May 1, 1999, with a begin date of May 1 or later will use the new income ranges to determine the family copay. However, if the begin date of authorizations created after May 1 is in April or earlier, the retro-authorization will split. One authorization will use the 1998 FPL income ranges and end May 1 and the other authorization will begin May 2 and use the 1999 FPL income ranges.

Family and Provider Notices:

No CC cases will go through the eligibility mass change, so no notices will be generated by CARES.

Family authorization notices will be sent out to all families with children that have current and future authorizations because they will be included in the authorization mass change. This means that an authorization end notice and a new authorization notice will be generated for each family and mailed together on May 1.

Provider notices will be similar to the notices that were generated when the county maximum rates changed for 1999. This format lists **all** children that are authorized to that provider location. When there is no change in the provider payment rate an asterisk will appear next to the child's name. An explanation that the asterisk indicates no payment rate change will be displayed at the bottom of this notice. These notices to providers will not display on the provider's notice history (CNHS), instead they can be viewed as an EOS report. The report number for these provider notices is CC292.

CARES

The CARES income limit tables (TWWS, TCCS), used to determine W-2 and CC eligibility, will be updated with an effective date of May 1, 1999. The CC income range table (TCFP), used to determine the family copay for CC authorizations, will also be updated with an effective date of May 2, 1999.

CONTACT

If you have questions related to either the CC eligibility or the authorization mass change, contact the Child Care Call Center at 608-261-4580.